



State of Wisconsin • DEPARTMENT OF REVENUE

DIVISION OF STATE AND LOCAL FINANCE • BUREAU OF PROPERT TAX • MANUFACTURING/UTILITY SECTION •
2135 Rimrock Road • P.O. Box 8971 •
Madison, WI 53708-8971

October, 2005

TO: Light, Heat and Power Companies, Including Qualified Wholesale Electric and
Transmission Companies

FROM: WI Department of Revenue
Utility & Special Taxes

RE: 2006 Annual Reports

Your 2006 "Annual Report for License Fee Purposes, Form LP-003 is now on the website at <http://www.dor.state.wi.us/ust/index.html>. Click on Private Light, Heat & Power Companies. **We will not be mailing the forms directly to you.**

We have provided you with a Fill-In form, so you can enter data directly into the annual report and the report will do the calculations. You will need to fill the entire report out before checking totals to confirm the correct answers. With Adobe Acrobat Reader, you can print and send a completed paper form to us. This form will not save on the free Adobe Acrobat Reader provided on our website. Please consult our Instructions for PDF Fill-ins on the website for a complete set of instructions.

A 30-day extension for filing may be obtained, by going to <http://www.dor.state.wi.us/ust/plhp.html> and applying for an extension, provided the request is received before the due date. If you fail to file your report with us by the due date or extended due date, the Department of Revenue will add \$25.00 plus 5% of the total fees in accordance with secs. 76.28(6)(b) & (7), of the Wisconsin Statutes.

In preparing this return, please note the instructions found at line description, footnotes, and the last page of the return and the following:

1. For Class C and D utilities, the amounts shown on Line 1, Columns A and B of this form should equal operating revenues reported at Page F-1, Line 7, Column C of the P.S.C.W. Report.
2. Line 2, Columns A and B of page 1 should include "all other revenues."
3. Please identify the leased real property listed on Section E that is included on Form 142, assets reported for shared revenue purposes. All leased real property reported on Form UT-149 should be listed on Schedule E. Please see instructions.
4. Report at Section C all qualifying production plant, substation property and general structures. This should include amounts allocated to municipalities for leased and owned unit trains.

Also file with this office a copy of your "Annual Report to the PSCW" year ended 2005 and Form 142, "Net Book Value of Utility Property" for shared revenue purposes. **Note the reporting requirement for retired Form 142 property.** See the instructions on the last page of the return, Form LP-003. File these reports at the same time you file the Annual Report with the Commission. Please also report any municipal locations where you spent nuclear fuel.

Forms UT-142 & 143 and instructions were sent to you in October. Information requested on this form is necessary in estimating next year's special utility tax payment for each municipality and county. This form must be submitted by July 1. We have preprinted the names of the municipalities in which you had property last year to ease our keypunching of this form.

If you have any questions please contact us at:

TEL: (608) 266-8162 FAX: (608) 264-6887 EMAIL utility@dor.state.wi.us



Light, Heat and Power Company's Annual Report for License Fee Purposes

Mail To:
Wisconsin Department of Revenue
Bureau of Property Tax
Manufacturing/Utility Section
2135 Rimrock Road, MS 6-97
PO Box 8971
Madison, WI 53708-8971
ON OR BEFORE MARCH 1, 2006

Forms and related **publications**
are available on our website at
www.dor.state.wi.us

Phone: (608) 266-8162
Fax: (608) 264-6887
E-Mail: utility@dor.state.wi.us

Name of Company _____ FEIN# _____

Address _____ Check here for address change → ☐

Address All Correspondence Concerning This Report to _____
(Name) (Title)

(Address) (E-mail) (Telephone Number) (Fax)

Section A Computation of the May 1, 2006 License Fee Assessment

	A ELECTRIC AND ALL OTHER	B GAS	C WHOLESALE ELECTRIC
1. Total 2005 Gross Operating Revenues (<i>see instr. on last page</i>)			
2. Plus: All Other Revenues (<i>see instructions</i>)			
3. Less: Interdepartmental Sales			
Interdepartmental Rents			
Power Purchased for Resale (<i>see instructions</i>)			
Sales and Use Tax Deducted Under s. 77.61(4)(c)			
Public Benefits Fees Included Under s. 16.957(4)(a) or (5)(f)			
Grants Awarded Under s. 16.958(2)(b)			
Transmission Company Service to Public Utilities (<i>see instr.</i>)			
4. Operating Revenues Less Deductions			
5. License Fee Rate .0319 Applied to Line 4, Col. A			
6. License Fee Rate .0097 Applied to Line 4, Col. B			
7. License Fee Rate .0159 Applied to Line 4, Col. C			
8. Sum of Lines 5, 6 & 7, Columns A, B & C			\$
9. Apportionment Factor (Section B)			%
10. 2006 Wisconsin License Fee (Line 8 x Line 9) (Do NOT send payment with report)			\$

Section B Apportionment Factor

Property	Wisconsin	Total Company
1. Original Cost of Utility Plant January 1, 2005	\$	\$
2. Original Cost of Utility Plant December 31, 2005		
3. Average	\$	\$
4. Percent to Wisconsin	%	
Payroll		
5. Total Compensation Paid in 2005	\$	\$
6. Percent to Wisconsin	%	
Sales		
7. Total 2005 Sales of Electricity, Gas, Water & Steam Reported to P.S.C.W.	\$	\$
8. Percent to Wisconsin	%	
9. Apportionment Factor [(Lines 4 + 6 + 8) ÷ three]	%	

Section C

Summary of Gross Property and Accumulated Depreciation by Utility Shared Revenue Purposes

COST	UTILITY			TOTAL
	ELECTRIC	GAS	WATER, STEAM	
1. Production Plant: Owned				
2. Leased				
3. Substations: Owned				
4. Leased				
5. General Structures: Owned				
6. Leased				
7. Total Cost				

ACCUMULATED DEPRECIATION	UTILITY			TOTAL
	ELECTRIC	GAS	WATER, STEAM	
8. Production Plant: Owned				
9. Leased				
10. Substations: Owned				
11. Leased				
12. General Structures: Owned				
13. Leased				
14. Total Accumulated Depreciation				
15. Net Book Value as Reported for Shared Revenue Purposes (Line 7 less Line 14) (From 142)				

☐ Check here if in the past year you retired any Form UT-142 property. If yes, see instructions on last page. Please submit all Schedules of Retirement in written form.

Do you store spent nuclear fuel in any municipality? If so, where? _____
(municipality)

Section D

Reconciliation of Assets as of December 31, 2005 Reported for Shared Revenue Purposes With Wisconsin Cost of Utility Plant (Sec. B) and Utility Plant Reported to the Public Service Commission of Wisconsin

	COST	ACCUM. DEPR.
1. Utility Plant Total Cost & Accumulated Depreciation (Sec. C, L. 7 & 14)		
2. Land and Land Rights		
3. All Other Transmission Plant		
4. All Other Distribution Plant		
5. All Other General Plant		
6. Other Plant, i.e. Waste Treatment — Submit Schedule		
7. Less Leased Property Included in Sec. C, L. 7 & 14 — Submit Schedule		
8. Wisconsin Utility Plant at December 31, 2005 (Cost to Sec. B., L. 2)		
9. Plant in Service Outside Wisconsin		
10. Construction Work in Progress Outside Wisconsin		
11. Unit Train Outside Wisconsin		
12. Other — Submit Schedule _____		
13. Utility Plant as Reported to the P.S.C.W. (Cost to Sec. B, L. 2 of this Form) . . .		

CERTIFICATION

We, the undersigned president and treasurer (or two principal officers) of the _____ do certify that this report and all schedules and supporting documents herewith submitted have been prepared under our direction, and that we have carefully examined them and declare that they correctly reflect true statements of the May 1, 2006 license fee assessment and utility plant costs under the provisions of Chapter 76 and Chapter 79 of the Wisconsin Statutes.

Date _____ 20____

Date _____ 20____

(Name)

(Title of Officer)

(Name)

(Title of Officer)

Section E
Leased Real Property

See Instructions.

(Include all leased property reported on Forms UT-142 and UT-149)

January 1, 2006

*Sta- tus	Property Location	Lessee and Address (Status 1) Lessor and Address (Status 2)	Lease Date	Lease Term	Annual Rent	Utility Use	% Utility Use	Original Cost *	Accumulated Depreciation	Purchase Date

*Status (Insert number that applies): 1 - Utility Leases To; 2 - Utility Leases From

Instructions for Completing the License Fee Report for Light, Heat and Power Companies

All "light, heat and power companies" as defined in Section 76.28(1)(e), "qualified wholesale electric companies" as defined in Section 76.28(1)(gm), and "transmission companies" defined in Section 76.28(1)(j) of the Wisconsin Statutes shall pay an annual license fee to be assessed May 1. This license fee is measured by the gross revenues of the preceding **calendar** year regardless of when the books are closed for financial reporting purposes.

This report must be filed on or before March 1, 2006. A thirty day extension may be granted provided a written or electronic request is submitted prior to the due date of the return.

Line 2, Columns A and B, of page 1 "All Other Revenues" shall be classified as either gas or electric based upon their relationship to one or the other, (for example, wheeling revenues and pole rents are related to electric; forfeited discounts from gas sales are related to gas). If they cannot be readily attributed to gas (e.g. steam revenues), other revenues shall be reported in Column A.

Except for municipal light, heat and power companies, the actual cost of purchased power as reported to the Public Service Commission of Wisconsin (P.S.C.W.) may be deducted at line 3, page 1 if:

1. The wholesale rates were approved by federal or state regulatory agencies; **and**
2. The power purchased for resale included in operating revenues represents more than fifty percent of the power sold; **and**
3. The power is not purchased from an affiliated interest as defined in Section 196.52(1) of the Wisconsin Statutes; **and**
4. The revenue from that purchased power is included in the seller's gross revenues reported to the P.S.C.W.

or

Except for municipal light, heat and power companies, 50% of the actual cost of purchased power as reported to the P.S.C.W. may be deducted at line 3, page 1 if the utility purchases more than 90% of its power and has less than \$50,000,000 of gross revenues.

Transmission companies may exclude, on line 3, revenues from service that is provided to a public utility that is subject to the license fee, to a public utility, as defined in Sec. 196.01(5), or to a cooperative association organized under Ch. 185 for the purpose of providing electricity to its members only.

Section B, Apportionment Factor, need only be made out by utilities that have utility plant, payroll or sales located in another state. All other utilities enter 100% on line 8 of Section A.

The statutory definitions of the apportionment factor have been reprinted below for your convenience:

"Payroll factor" means a fraction the numerator of which is the total amount paid in this state during the tax period by the taxpayer for compensation and the denominator of which is the total compensation paid everywhere during the tax period, except that compensation solely related to the production of nonoperating

revenues shall be excluded from the numerator and denominator of the payroll factor and except that compensation related to the production of both operating and nonoperating revenue shall be partially excluded from the numerator and denominator of the payroll factor so as to exclude as near as possible the portion of compensation related to the production of nonoperating revenue. Compensation is paid in this state if the individual's service is performed entirely within this state, or if the individual's service is performed both within and outside this state but the service performed outside this state is incidental to the individual's service within this state, or if some of the service is performed in this state and the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in this state or the base of operations or the place from which the service is directed or controlled is not in any part of the service is performed and the individual's residence is in this state. Compensation includes management and service fees paid to an affiliated service corporation pursuant to 15 USC 79.

"Property factor" means a fraction the numerator of which is the average book cost of utility plant located in this state for the tax period and the denominator of which is the average book cost of utility plant located everywhere for the tax period. The average book cost of utility plant shall be determined by averaging the beginning and year end balances at original cost, including construction work in progress, but the secretary of revenue may require the averaging of monthly book costs during the tax period if that is reasonably required to reflect properly the average value of the taxpayer's property.

"Sales factor" means a fraction the numerator of which is the taxpayer's total sales of electricity, gas, water, and steam in this state reported to the public service commission for the tax period and the denominator of which is the taxpayer's total sales of electricity, gas, water, and steam everywhere as reported to the public service commission for the tax period.

PAYMENT

On or about April 10, 2006 the Wisconsin Department of Revenue will send you a bill for your 2005 assessment. Payment in full of the assessment constitutes a **license** to carry on business for the 12-month period commencing on January 1, 2006.

RETIREMENT OF FORM UT-142 PROPERTY

If you retired any Form UT-142 property last year, you must report on a separate schedule the percent of that property to the total of the municipality's Form UT-142 property. This percentage should be computed as of the date of the property's retirement. The Wisconsin Department of Revenue shall reduce the municipality's 1989 Base Year Value by this percentage.

LEASED REAL PROPERTY SCHEDULE

If the jurisdictional status of these properties has been agreed upon for the assessment year 2005 and has not changed for 2006 (the local assessor agrees with the percent of operating use), you need only list this property in Section E of this form. A Form 149, "Leased Real Property," should be prepared for all other leased property **in addition** to listing this property in Section E.